

Application for recognition of status; date organized. An organization applying for recognition of exemption under section 501(c)(3) of the Code, whose existence as a corporation under the applicable State law begins on the date of the filing of its articles of incorporation in the appropriate State office, is considered 'organized' on that filing date for purposes of applying the notice provisions of section 508(a).

An organization, which has applied for recognition of exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954, was incorporated in a particular State on the date that a certain State official filed the organization's articles of incorporation in the appropriate State office. The organization did not hold an organizational meeting, adopt its by-laws, or begin actual operations until several months after its articles were filed. Under the applicable State law, a corporation's existence begins on the date of the filing of its articles by a certain State official in the appropriate State office.

Section 508(a) of the Code provides, with certain exceptions, that an organization organized after October 9, 1969, shall not be treated as an organization described in section 501(c)(3) unless it gives notice to the Secretary or his delegate that it is applying for recognition of such status within the term prescribed for giving notice in the applicable Income Tax Regulations. Section 1.508-1(a)(2)(i) of the regulations provides that such notice shall be given within 15 months from the end of the month in which the organization was organized. Section 1.508-1(a)(2)(iii) provides that an organization shall be considered 'organized' on the date it becomes an organization described in section 501(c)(3), determined without regard to section 508(a).

The issue raised is the proper date on which the subject corporation is considered 'organized' for purposes of applying the notice provisions of section 508(a) of the Code.

Held, in determining the date on which a corporation is organized for purposes of applying the provisions of section 508(a) of the Code, the Service looks to the date the corporation comes into existence under the law of the State in which it is incorporated. Accordingly, for purposes of determining compliance with section 508(a) in the instant case, the corporation is considered organized on the date its articles are filed by the State official in the appropriate State office.